



Social Performance Requirements Applicable to Contractors



In order to satisfy the requirements of its Social Management Policy and Sustainable Procurement Policy, Alba must ensure that all stakeholders and participants in its supply chain are equally committed to meeting the required standards of responsible social conduct.

This document sets out the mandatory social performance requirements required of all suppliers and contractors engaged by Alba (“SPRs”). The SPRs require that all suppliers and contractors comply with:

1. All relevant Bahraini Laws;
2. Alba’s Social Management Policy;
3. Alba’s Code of Conduct;
4. Alba’s SOP 1.11 ‘Contractor’s Social Performance Monitoring’ (“SOP 1.11”);
5. Alba Code of Practice (ACOP) 025 “Contractor Safety, Health Environment Management System”; and
6. IFC Performance Standard 2 “Labor and Working Conditions”.

These SPRs also describe Alba’s right to monitor and/or audit contractors and suppliers in accordance with SOP 1.11, in order to ensure ongoing supplier and contractor compliance.

A copy of SOP 1.11 can be found at the following link:

https://www.albasmelter.com/uploads/SOP_1.11_Contractors_Social_Performance_Monitoring_Rev_6.pdf

A copy of the Alba Code of Conduct can be found at the following link:

<https://www.albasmelter.com/en/category/code-of-conduct>

A copy of Alba Social Management Policy can be found at the following link:

https://www.albasmelter.com/uploads/x4ltjwi1_gfs.pdf

A copy of ACOP 025 can be found at the

following link:

https://www.albasmelter.com/uploads/Contractor_s_Safety_Health_and_Environment_Management.pdf

1. What is Social Performance?

Social Performance encompasses a wide range of issues, which are outlined in “IFC Performance Standard 2 – Labor and Working Conditions”, and includes following Social Performance areas:

- Forced Labour
- Child Labour
- Worker Grievance Mechanism
- Accommodation Conditions
- Safety and Health of workforce.

The ‘IFC Performance Standard 2 – Labor and Working Conditions’ can be found at the following link:

<https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2>

2. Social Performance Monitoring and Audits

Alba may, from time to time, conduct routine and/or ad hoc monitoring and audit activities (for clarity, with or without prior notice) to ensure compliance with these SPRs.

Alba’s right to monitor an audit extends to include the following:

- a) To attend any site, place of work or worker accommodation of any contractor or supplier, or any lower tier subcontractor or sub-supplier;
- b) To require that the contractor/supplier submit any reasonable documentation or other evidence relating to the SPRs or steps taken to comply with the SPRs, including but not limited to: reports, lists, checklists, timesheets, policies, procedures, assessments, photographs, and certificates; and
- c) To interview contractor/supplier personnel from any level, upon reasonable notice, whether face-to-face or via video call or otherwise.

3. Alba's Social Performance Requirements

Alba's mandatory SPRs are as follows:

3.1. Forced Labour, Modern Slavery & Human Trafficking

Alba is committed to acting ethically in all its business relationships. As part of its Social Management Policy, Sustainable Procurement Policy and these SPRs, Alba has committed to not engage in or be complicit in any activity that solicits or encourages any human rights violations including but not limited to forced labour, modern slavery and human trafficking.

Alba therefore requires that:

- All workers engaged by any Contractor/Supplier must be provided with a contract of employment which meets the requirements of Bahrain's Labour Law No. (36) of 2012 and any amendments there.to.
- All Contractor/Supplier employees and workers must be paid wages on time and in full, with no illegal or unfair fees, charges or other costs to be deducted.
- Contractors/Suppliers must only use accredited recruitment companies (in the country of worker origin) to recruit workers.
- All workers must retain access to their passports and/or travel documents at all times.
- Contractors/Suppliers must run campaigns to raise awareness of worker rights. Such campaigns must be in the native languages of workers, or a language that workers understand.
- As part of Alba's Social Performance monitoring and audits rights outlined above, Contractors/Suppliers must, upon request, provide Alba with evidence demonstrating compliance with the above requirements (including, but not limited to: time sheets, pay slips, visas, evidence of awareness campaigns etc). Please refer to SOP 1.11 for all required documents and data.

3.2. Child Labour

- Child labour is banned in the Kingdom of Bahrain. The Contractor/Supplier must not in any way, directly or indirectly, engage in or permit any form of child labour in any part of its operations or supply chain.
- As part of Alba's Social Performance audit rights outlined above, Contractors/Suppliers must provide a list of workers that have been mobilized during the reporting period, including full name, date of birth, copy of passport, copy of visa, and Alba ID details.

3.3. Worker Grievance Mechanism

- a) Contractors/Suppliers must establish and maintain a grievance mechanism for all workers, including the workers of its sub-contractors, which will allow workers to raise concerns, complaints and/or grievances related to (including, but not limited to) site conditions, work environment, payroll and worker accommodation, without fear of punishment or retribution. The worker grievance mechanism can be that of the Contractor/Supplier, if the grievance mechanism is in line with IFC Performance Standard 2. With the prior written consent from Alba, Alba's worker grievance mechanism can be extended to any contractor or supplier for implementation.
- b) The grievance mechanism must be available in a language understandable to all workers.
- c) Contractors/Suppliers must run campaigns to raise awareness of the worker grievance mechanism.
- d) Contractors/Suppliers must report regularly to Alba on grievances raised through the grievance mechanism, including a summary of the grievance(s) and if/how the grievance(s) were resolved.
- e) On request, Contractors/Suppliers must provide reasonable evidence to Alba to demonstrate compliance with this clause 3.3.

3.4. Accommodation Conditions & Location

- a) All housing and accommodation provided by a Contractor/Supplier for its workers must be clean, safe, and meet all workers' basic needs. It must adhere to the requirements of Bahrain Ministerial order 40 of 2014 related to Labour Accommodation and labour accommodation requirements stipulated in Attachment-B of SOP 1.11.
- b) Upon request, Contractors/Suppliers must provide relevant details related to accommodation of workers e.g. total number and names/address of worker accommodations managed by contractor, the number of contractor workers living in each worker accommodation etc.
- c) Contractors/Suppliers must also conduct and provide a risk assessment for all contractor accommodation locations to ensure that the presence of the workforce or their accommodation does not cause any negative impact to the surrounding community.

3.5. Awareness Raising on Worker Health and Hygiene

Contractors/Suppliers must implement health campaigns on topics related to worker health and hygiene, including but not limited to sexually transmitted diseases (STDs), disease symptoms and prevention, and provide relevant evidence of such campaigns to Alba upon request.

3.6. Discrimination

Alba is an equal opportunity employer and aims to create fair and equitable opportunities for all employees and throughout its supply chains, in accordance with all applicable laws and

regulations. Alba does not tolerate discrimination in any form, whether it be based on gender, age, race, language, religion, or otherwise. Alba requires that Contractors and Suppliers uphold the same values and standards, and must, on request provide reasonable evidence to Alba of its antidiscrimination policies and procedures, and compliance therewith.

4. Failure to comply with Social Performance Requirements

In the event that Alba considers, on reasonable grounds, that the Contractor/Supplier has failed to satisfy these SPRs, it will notify the Contractor/Supplier by issuing a non-conformance report ('NCR') in accordance with Section 6 of SOP 1.11, and provide details of the breach or failure. The Contractor/Supplier must then provide to Alba for its evaluation and agreement, a Non-Conformity Action Plan ('NCA') within 14 days, detailing the actions it proposes to take to remedy the breach and/or failure, and the target date for final resolution. Should the parties fail to agree on the target date within 7 days of submission of the NCA, then Alba may, acting reasonably, set the target date for final resolution.

If the Contractor/Supplier fails to comply with an agreed NCA, then notwithstanding anything else to the contrary contained in the PO or agreement or in SOP 1.11, Alba may then:

- a) Suspend any payment(s) (in full or in part) that are due or become due to the Contractor/Supplier, pending remedy of the breach or failure to Alba's reasonable satisfaction; and/or
- b) If, after a further period of 30 days, the Contractor / Supplier has not remedied the breach or failure to Alba's reasonable satisfaction, then Alba may, in its sole discretion:
 - i. Suspend payment (if not already suspended per 4(a) above), (in full or in part) to the Contractor/Supplier pending remedy of the breach or failure to Alba's reasonable satisfaction; and/or
 - ii. Allow the Contractor/Supplier such further period as Alba deems reasonable, to remedy the breach or failure; and/or
 - iii. Without further notice, with immediate effect and without cost to Alba, terminate the purchase order or agreement.

5. Reporting

Contractors/ Suppliers must provide reports to Alba as to its compliance with these SPRs. Alba may specify, from time to time, the frequency, content and format of any such report.

6. Subcontractors and Sub-suppliers

Contractors/Suppliers are responsible for social performance management of their sub-contractors and sub-suppliers. This includes ensuring that these SPRs (to the extent they are applicable) are enforced throughout the Contractors/Suppliers entire supply chain. As noted above, Alba's right to monitor and audit social performance extends to any such sub-contractor and/or sub-supplier.

The Contractor/Supplier acknowledges that it is responsible for communicating and mandating all such social performance requirements to its lower tier suppliers and contractors.

7. Privacy

All personal data provided to Alba pursuant to these SPRs will be treated in accordance with Law 30 of 2018 with respect to Personal Data Protection Law.

Regards,

Alba

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